

AN ACT

ENTITLED, An Act to require health carriers to offer certain deductible options for certain health benefit plans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 58-17 be amended by adding thereto a NEW SECTION to read as follows:

Any health carrier with any in force individual health benefit plan issued in accordance with § 58-17-85 prior to August 1, 2003, shall offer, at the option of the insured, additional deductible options of the following:

- (1) One thousand dollars with a four thousand dollar out-of-pocket coinsurance maximum;
- (2) Three thousand dollars with a two thousand dollar out-of-pocket coinsurance maximum;
- (3) Five thousand dollars with no more than a twenty-five percent coinsurance; and
- (4) Ten thousand dollars with a twelve thousand two hundred fifty dollar out-of-pocket maximum, including the deductible.

Any additional deductible option, with the exception of the five thousand dollar option, may not require that the insured be responsible for more than a fifty percent coinsurance. If the policy is a family policy, the health carrier may satisfy the options listed above by offering amounts that are twice the amounts provided in subdivisions (1) to (4), inclusive. The premium rates for these benefit plans shall be adjusted based upon the actuarial difference in benefits. A health carrier is not required to offer a deductible option if that option would decrease the insured's deductible or out-of-pocket maximum. The director may approve alternatives to those deductible options specified in this Act if the alternatives are consistent with the offering of increased deductible options to insureds and at least one of the alternatives is consistent with the formation of a health savings account as provided for by 26 U.S.C. § 223.

An Act to require health carriers to offer certain deductible options for certain health benefit plans.

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I certify that the attached Act
originated in the

SENATE as Bill No. 34

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 34

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State